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KHPA Releases Fiscal Impact Study of Congressional Plans

(TOPEKA) – Federal health insurance reform bills now pending in Congress would likely result in lower health care expenditures by the state of Kansas. They would also extend health coverage to most, but not all, Kansans who are currently uninsured. That’s according to a [new analysis](#) released today by the Kansas Health Policy Authority.

The actuarial analysis examined two bills under consideration: A Senate bill (S. 1796, “America’s Healthy Future Act”) that was approved by the Senate Finance Committee on Oct. 19, and the House bill (H.R. 3962, “Affordable Health Care for America Act”) which passed the House on Nov. 7.

According to the KHPA analysis, the Senate bill would likely result in net savings to the state of \$25 million to \$50 million per year and would extend coverage to about 190,000 of the estimated 335,000 uninsured in Kansas. The House bill would likely result in net savings of \$0 to \$25 million per year for the state and would reduce the number of uninsured by about 240,000 people.

“These estimates are based on a wide range of assumptions,” said KHPA Acting Executive Director Andy Allison. “There are several policy choices that the state would need to make if either of these bills becomes law, and those choices could affect the net fiscal impact.”

The net savings are the combined result of several provisions of the two bills. Some provisions, including a dramatic expansion of Medicaid eligibility, would result in higher costs for the state. But those costs would be offset by even larger savings that result from other provisions, especially those that would shift certain groups out of Medicaid and SCHIP, and into a reformed private insurance market.

The KHPA report was based on data and analysis provided by the agency’s actuary contractor, schrammraleigh Health Strategy. * (pronounced “SHRAHM-RAH-lee.”)

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* Note: Spelling and capitalization of “schrammraleigh Health Strategy” is correct.

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